

Butte County Economic Forecast

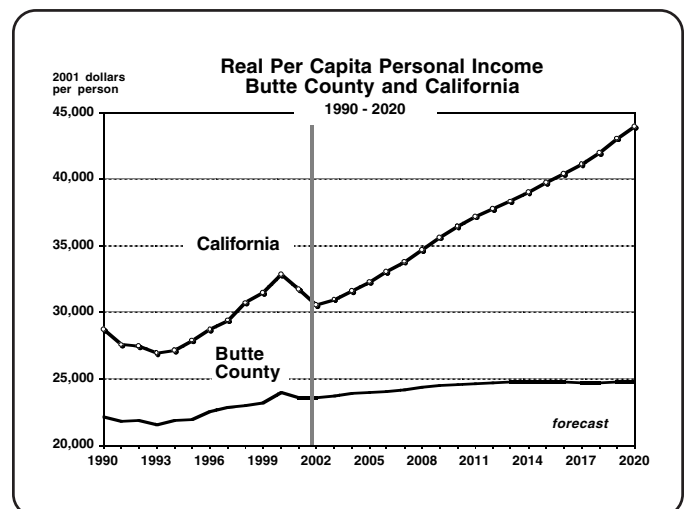
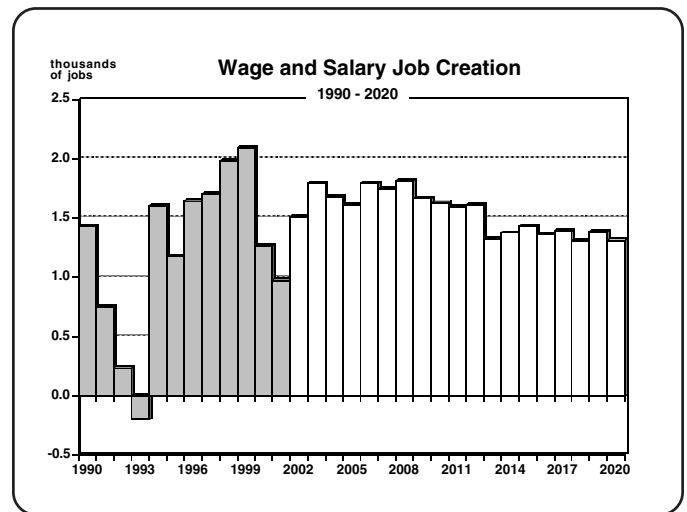
Butte County's diverse economic base includes services, government, and retail trade. Services is the largest industry employer in the county with 30 percent of the total employment. Within the services industry, recent growth has been concentrated in the health services and social services sectors.

Butte's agriculture industry is a vital factor in the county's economic success. The portion of the county lying in the Sacramento Valley has ideal conditions for agricultural production, supporting a variety of crops including rice, almonds, walnuts, prunes, peaches, and kiwi fruit. Farm and farm related services in Butte County have been estimated to value between \$250 million and \$350 million annually for the last several years. Agribusiness and education are also important sectors contributing to positive growth in the county's economic forecast.

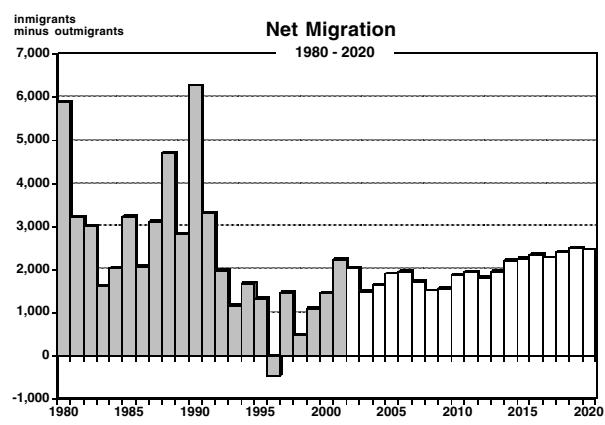
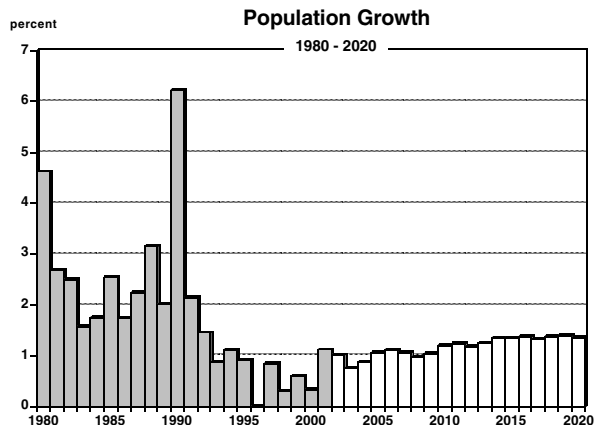
The presence of California State University, Chico and Butte Community College are valuable assets to the county's workforce preparation efforts.

Forecast Highlights

- Job growth averages 2.2 percent per year over the next 5 years. This is a slight deceleration from the average 2.6 percent rate of growth between 1995 and 2000.
- The unemployment rate rises to 7.5 percent in 2002, but declines after 2003.
- The services sector remains the growth engine of jobs in Butte County. Employment growth in services averages 2.3 percent per year over the next 5 years, compared to 3.0 percent growth between 1995 and 2000.
- Population growth increases, due principally to the availability of housing and the affordability of housing in the region. Compound annual growth in the 2002 to 2007 period climbs to 2.25 percent per year, from 1.1 percent between 1995 and 2000. The population growth increase is principally led by in-migration. However, the number of births increases significantly in the County as the 20 to 29 age population increases more than 30 percent over the next 15 years.



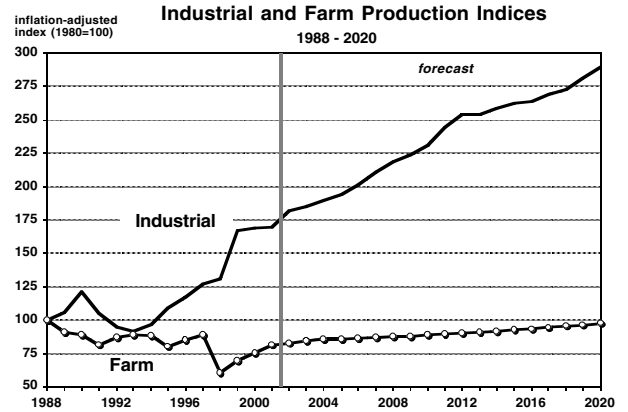
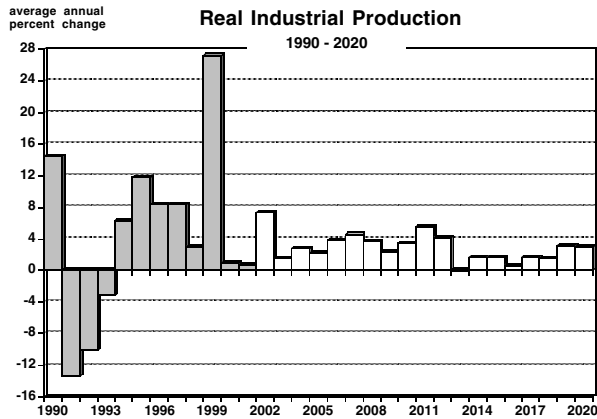
- Real per capita income dropped in 2001. This trend will reverse in 2003 and rise at an annual compound rate of growth of 0.5 percent over the next 5 years. Between 1995 and 2000, real per capita personal income increased an average of 1.8 percent per year.
- Median home values, adjusted for inflation, rise at an annual compound rate of 1.9 percent per year between 2002 and 2007. The appreciation rate of housing over the forecast is a direct extension of the 2.0 percent per year appreciation that occurred between 1995 and 2000.



Butte County Economic Forecast

1995-2001 History, 2002-2020 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	200,400	1,328	183	78.7	656	\$1.1	\$3.5	\$21,948	\$260	\$1.3
1996	200,300	-451	184	79.4	592	\$1.2	\$3.7	\$22,517	\$283	\$1.4
1997	202,000	1,472	175	80.1	591	\$1.2	\$3.9	\$22,826	\$306	\$1.5
1998	202,600	484	184	80.7	910	\$1.3	\$4.1	\$23,017	\$213	\$1.6
1999	203,800	1,096	190	81.6	960	\$1.4	\$4.3	\$23,213	\$257	\$2.0
2000	204,500	1,455	197	79.4	1,078	\$1.5	\$4.7	\$23,992	\$291	\$2.0
2001	206,800	2,234	202	80.3	1,037	\$1.6	\$4.9	\$23,614	\$332	\$2.0
2002	208,884	2,039	205	82.1	1,003	\$1.7	\$5.1	\$23,589	\$353	\$2.2
2003	210,474	1,482	208	83.1	966	\$1.8	\$5.4	\$23,697	\$371	\$2.2
2004	212,316	1,642	210	84.0	965	\$1.9	\$5.7	\$23,877	\$389	\$2.3
2005	214,537	1,914	213	85.0	943	\$2.0	\$5.9	\$23,957	\$404	\$2.3
2006	216,929	1,965	216	85.9	954	\$2.0	\$6.2	\$24,042	\$421	\$2.4
2007	219,196	1,740	218	86.8	963	\$2.1	\$6.6	\$24,157	\$438	\$2.5
2008	221,329	1,512	221	87.8	951	\$2.2	\$6.9	\$24,314	\$456	\$2.6
2009	223,614	1,568	223	88.7	946	\$2.3	\$7.3	\$24,448	\$475	\$2.7
2010	226,297	1,892	225	89.6	963	\$2.4	\$7.6	\$24,563	\$496	\$2.8
2011	229,097	1,952	228	90.6	988	\$2.5	\$8.1	\$24,648	\$519	\$2.9
2012	231,818	1,827	230	91.5	996	\$2.7	\$8.5	\$24,719	\$544	\$3.0
2013	234,707	1,967	232	92.5	980	\$2.8	\$9.0	\$24,763	\$570	\$3.0
2014	237,861	2,214	234	93.5	977	\$2.9	\$9.4	\$24,755	\$597	\$3.1
2015	241,069	2,253	236	94.4	994	\$3.0	\$9.9	\$24,770	\$625	\$3.1
2016	244,377	2,348	238	95.4	995	\$3.1	\$10.4	\$24,757	\$656	\$3.1
2017	247,630	2,282	239	96.3	989	\$3.2	\$11.0	\$24,736	\$690	\$3.2
2018	251,018	2,412	241	97.3	997	\$3.4	\$11.6	\$24,723	\$725	\$3.3
2019	254,501	2,508	242	98.3	1,009	\$3.5	\$12.2	\$24,757	\$762	\$3.4
2020	257,950	2,476	243	99.3	1,023	\$3.6	\$12.8	\$24,757	\$799	\$3.4



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
64	2.9	2.1	5.4	2.6	15.7	3.3	18.7	13.6
66	3.0	2.3	5.0	2.5	16.2	3.3	19.5	14.0
68	3.1	2.2	5.6	2.7	16.3	3.4	20.3	14.0
70	3.0	2.4	5.8	2.9	16.5	3.5	20.9	14.7
72	3.1	2.6	5.7	2.9	16.6	3.9	21.8	15.1
73	3.0	2.5	5.7	2.8	16.9	4.1	21.6	16.3
74	2.8	2.8	5.1	2.7	17.2	4.4	22.2	16.7
76	2.8	3.1	5.1	2.8	17.6	4.6	22.8	17.2
78	2.8	3.1	5.3	2.8	18.1	4.7	23.4	17.7
80	2.9	3.1	5.3	2.8	18.6	4.9	23.9	18.0
81	2.9	3.0	5.4	2.8	19.2	5.1	24.5	18.4
83	2.9	3.1	5.4	2.8	19.7	5.2	25.0	18.8
85	2.9	3.2	5.5	2.9	20.3	5.4	25.6	19.1
87	2.9	3.3	5.5	2.9	20.9	5.5	26.1	19.5
88	2.9	3.3	5.6	2.9	21.4	5.7	26.6	19.9
90	2.9	3.3	5.6	2.9	22.0	5.8	27.1	20.3
91	2.9	3.4	5.6	2.9	22.5	6.0	27.6	20.6
93	2.9	3.5	5.7	2.9	23.0	6.1	28.1	20.9
94	2.9	3.3	5.7	2.9	23.4	6.3	28.6	21.3
96	2.9	3.3	5.7	3.0	23.8	6.4	29.0	21.7
97	2.9	3.3	5.7	3.0	24.2	6.5	29.5	22.1
99	2.9	3.3	5.7	3.0	24.6	6.6	29.9	22.5
100	2.9	3.3	5.7	3.0	25.0	6.7	30.4	22.9
101	2.9	3.3	5.8	3.0	25.3	6.8	30.8	23.3
103	2.9	3.4	5.8	3.0	25.7	6.9	31.3	23.7
104	3.0	3.4	5.8	3.0	26.1	6.9	31.7	

